Air Resources Activities at ERS

USDA Agricultural Air Quality Task Force Meeting
November 6-7, 2008

Dr. Marc Ribaudo
Economic Research Service

ERS Mission

- ERS is the main source of economic information and research from USDA

- ERS brings the perspective of economic analysis to critical issues confronting farmers, agribusiness, consumers, and policymakers

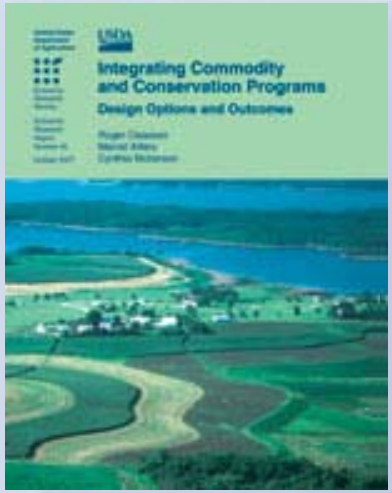
Air Quality Research

- Report status and trends of indicators related to air quality
- Assess potential impacts on air resources of USDA policies that affect technology choices at the farm and ranch level
- Assess potential impacts to agricultural sector of environmental policies that protect air quality

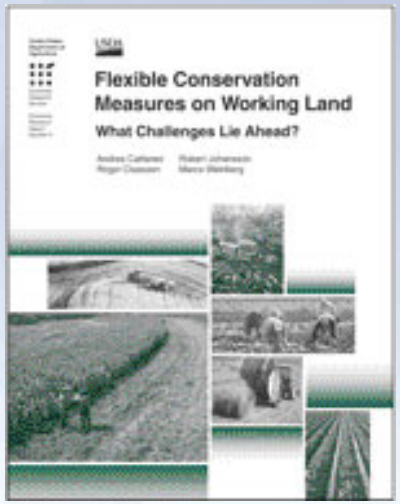
Agricultural Resources and Environmental Indicators

http://www.ers.usda.gov/publications/arei/eib16/

Assess Conservation Program Design



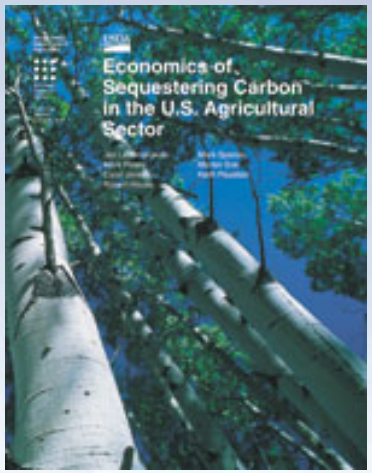
Examines the distributional and environmental implications of a policy that combines income support with payments for conservation.



Examines the potential environmental gains and economic adjustments under different working-land payment program designs

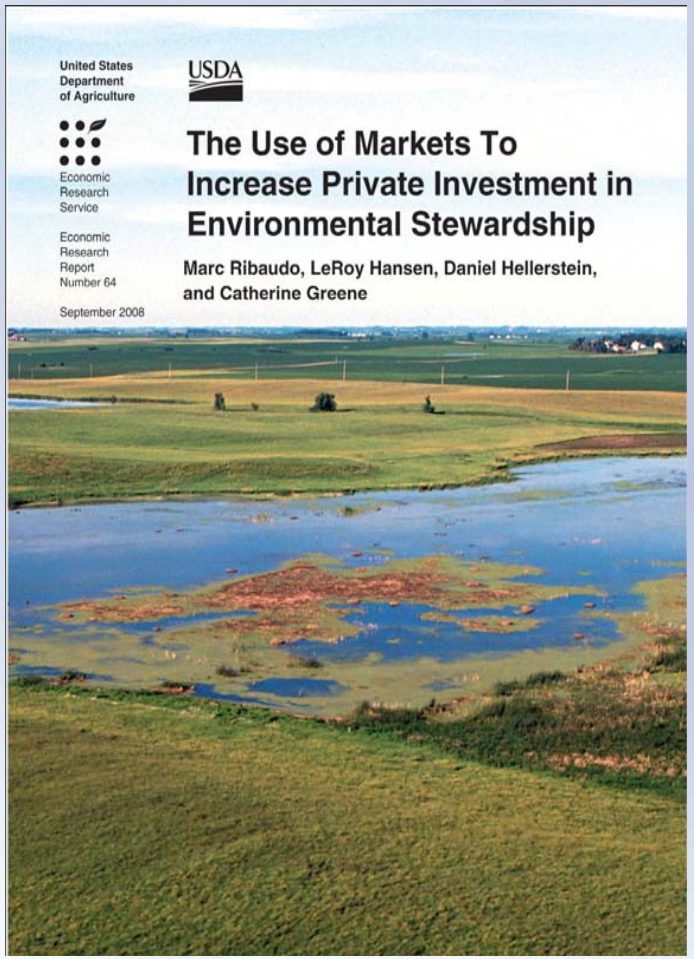
Assess Environmental Policies

Examines the potential environmental and economic tradeoffs if the animal sector were confronted with both air and water quality requirements



Analyzes the performance of alternative incentive designs and payment levels if farmers were paid to adopt land uses and management practices that raise soil carbon levels.

Markets for Environmental Services

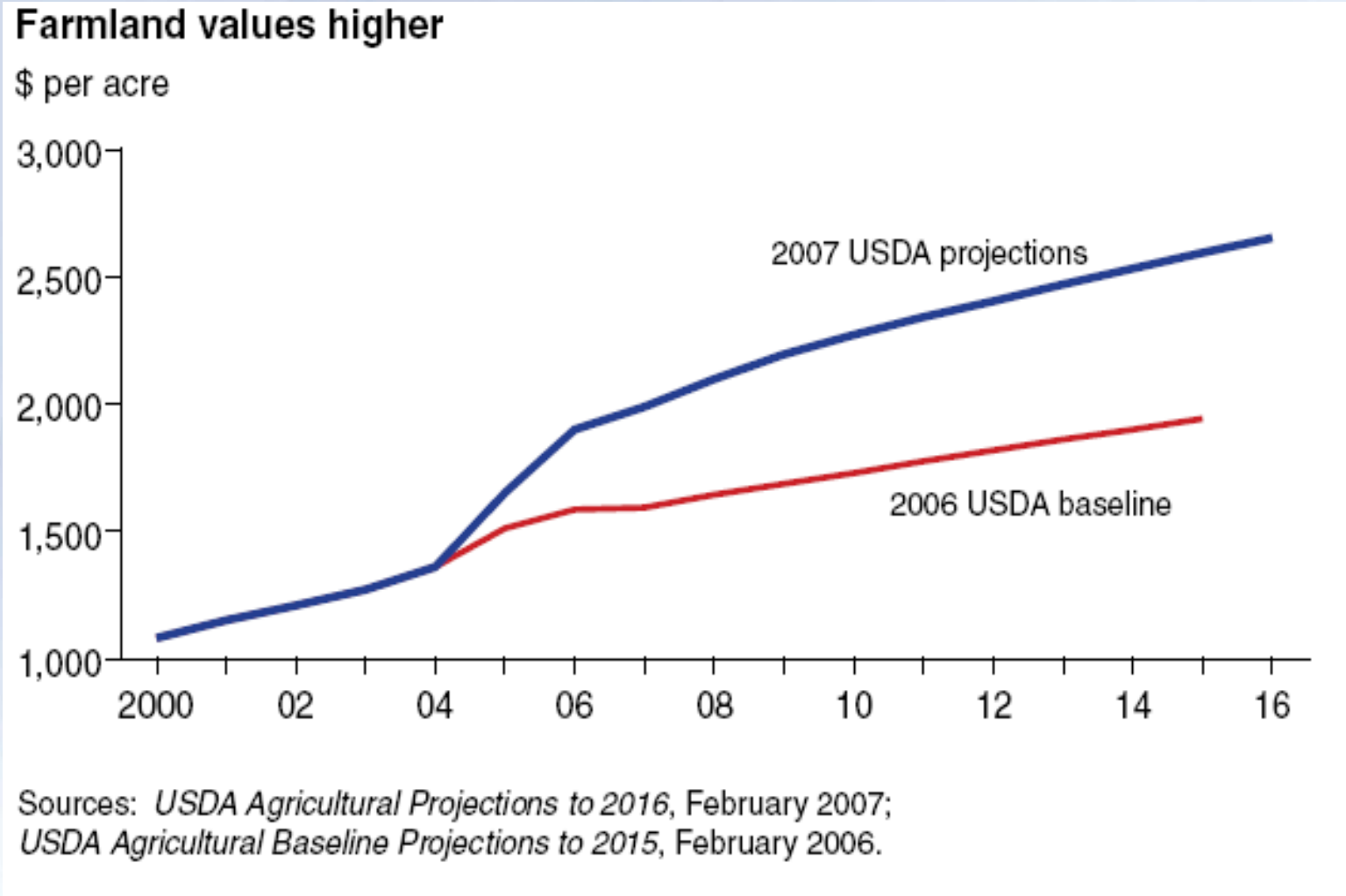


Assesses the role markets for environmental services can play in providing incentives for conservation on farms. Markets for greenhouse gases is one of the case studies.

ERS Bioenergy Research Plans

- Implications for domestic and global crop and livestock markets
- Effects of increased bioenergy production on economy, regions, and households
- Impacts of increased bioenergy production on the environment, natural resources, and rural communities

Research on commodity markets affected by ethanol demand



Greenhouse Gas Policy Research (likely)

- Agriculture's role in carbon markets
- Interactions of conservation policy and greenhouse gas policy
- Implications of greenhouse gas policy on farm income, land use decisions, production decisions, and environmental quality

Nitrogen Study

- Environmental consequences of current use of nitrogen on crops
  - Water
  - Air
- Economic drivers behind nitrogen use
  - Prices
  - Financial incentives
  - Regulations
- Benefits of nitrogen management

Data Program

ERS, in collaboration with NASS, collects and processes data on production practices, conservation practices, input use, and production costs for major crops in major crop producing states, as well as the financial conditions of farms and farm households